



Puerto Rico Department of Treasury
Treasury Single Account ("TSA") FY 2018 Cash Flow
As of January 12, 2018

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- *The report dated January 19, 2018, "Summary of Bank account Balances for Puerto Rico Governmental Instrumentalities As of December 31 2017," (the "Bank Account Balance Report") disclosed the balance of Other Puerto Rico Treasury Custody Accounts of \$580 million as of December 31, 2017. This balance was further segmented into \$374M in pension-related funds (Employee Withholdings and Pay-Go Charges), \$142M in Central Government non-TSA funds (lottery-related funds and other funds held and administered by central government agencies), and \$64M held TSA Sweep Accounts that collect income and completely pass through to TSA on a daily basis (includes General Collections Posts, Agency Collections Posts, and SUT). As further set forth in the Bank Account Balance Report, processes are currently in place to continue evaluating the accounts, including analyzing the cash inflows and outflows and reviewing legal restrictions relative to funds deposited into the bank accounts.*

Glossary

Term	Definition
AACA	Automobile Accident Compensation Administration, or Administración de Compensaciones por Accidentes de Automóviles, is a component unit of the Commonwealth of Puerto Rico.
Act 154	Act 154 means Act No. 154-2010, which, inter alia, imposes a temporary excise tax on the acquisition by multinationals of certain property manufactured or produced in whole or in part in Puerto Rico and on the acquisition of certain manufacturing services carried out in Puerto Rico. The Act 154 temporary excise tax expires on December 31, 2027.
AFI/RBC	Infrastructure Financing Authority.
Agency Collections	Collections made by central government agencies at collection posts for services rendered by the agencies as well as fees, licenses, permits, fines and others.
Approved FY 2018 Budget	Consolidated Budget for Fiscal Year 2018 approved by the Puerto Rico Legislative Assembly on July 13, 2017.
ASC	Compulsory Liability Insurance, private insurance company.
ASSMCA	Administración de Servicios de Salud Mental y Contra la Adicción, or Mental Health and Addiction Services Administration, is an agency of the Commonwealth of Puerto Rico.
Bank Checks Paid	A report provided by the bank that is utilized to determine vendor payments.
BPPR	Banco Popular of Puerto Rico.
Budget Reserves	Non-cash reserves for budgeting purposes. Consist of a Liquidity Reserve (\$190M), OMB Reserve (\$446M), Budgetary Reserve (\$85M), Other Income Reserve (\$84M), and Emergency Fund (\$30M).
Checks in Vault	Refers to checks issued but physically kept in vault.
Clawback Funds	Pursuant to Executive Order No. 46, certain available resources of the Commonwealth assigned to PRHTA, PRIFA, PRCCDA and PRMBA to pay debt service on their obligations were, and continue to be, retained by the Commonwealth pursuant to Article VI, Section 8 of the Constitution of the Commonwealth.
Collections	Collections made by the Department of the Treasury (Treasury) at collection posts and/or the Treasury revenue collection systems, such as income taxes, excise taxes, fines and others.
DTPR	Department of the Treasury of Puerto Rico.
EQB	Environmental Quality Board, or Junta Calidad Ambiental, is an agency of the Commonwealth of Puerto Rico.
ERS	Employees Retirement System means the Employees Retirement System of the Government of the Commonwealth of Puerto Rico, a statutory trust created by Act No. 447 of May 15, 1951, as amended, to provide pension and other benefits to retired employees of the Commonwealth, its public corporations and municipalities. ERS is a fiduciary fund of the Commonwealth of Puerto Rico for purposes of the Commonwealth's financial statements.
General Fund	General Fund (Operating Fund) means the Commonwealth principal operating fund; disbursements from such fund are generally approved through the Commonwealth's annual budgeting process.
DTPR Collection System	This is the software system that DTPR uses for collections.
HTA	Puerto Rico Highways and Transportation Authority, a public corporation and a component unit of the Commonwealth of Puerto Rico.
JRS	Judiciary Retirement System means the Retirement System for the Judiciary of the Commonwealth of Puerto Rico, a statutory trust created to provide pension and other benefits to retired judges of the Judiciary Branch of the Commonwealth. JRS is a fiduciary fund of the Commonwealth of Puerto Rico for purposes of the Commonwealth's financial statements.
Liquidity Plan	The FY 2018 Treasury Single Account Liquidity Plan was prepared at the beginning of the fiscal year based on the approved FY 2018 Budget, was projected monthly through June 2018, and is used as the benchmark against which results are measured. As a result of material economic and operational changes stemming from Hurricanes Irma and Maria, DTPR is in the process of developing a reforecast of TSA cash flows to year-end. Until then, the original TSA forecast will continue to serve as the measure for cash flow variances.
Net Payroll	Net payroll is equal to gross payroll less tax withholdings and other deductions.
Nutrition Assistance Program	NAP, or the Nutrition Assistance Program, also known as PAN, or Programa de Asistencia Nutricional is a federal assistance nutritional program provided by the United States Department of Agriculture (USDA) solely to Puerto Rico.
PR Solid Waste	Puerto Rico Solid Waste Authority.
PRHA	Puerto Rico Housing Authority.
PRIFAS	Puerto Rico Integrated Financial Accounting System.
Reconciliation Adjustment	Reserve account in DTPR cash flow, related to E&Y's Expense Reconciliation Adjustment (RA) as per the Fiscal Plan certified on March 13, 2017.
Retained Revenues	Revenues conditionally assigned to certain public corporations and the collections of those revenues are through accounts referred to as "pass through" accounts. The largest of these pass-through accounts consist of (i) AACA auto insurance, (ii) AFI/RBC petroleum tax, (iii) ASC personal injury insurance, (iv) HTA toll revenues.
RHUM System	This is the software system that DTPR uses for payroll.
SIFC	State Insurance Fund Corporation.
Special Revenue Funds	Commonwealth governmental funds separate from the General Fund that are created by law, are not subject to annual appropriation and have specific uses established by their respective enabling legislation. Special Revenue Funds are funded from, among other things, revenues from federal programs, tax revenues assigned by law to public corporations and other third parties, fees and charges for services by agencies, dividends from public corporations and financing proceeds.
SSA	Social Security Administration.
TRS	Teachers Retirement System means the Puerto Rico System of Annuities and Pensions for Teachers, a statutory trust created to provide pension and other benefits to retired teachers of the Puerto Rico Department of Education and to the employees of the Teachers Retirement System. TRS is a fiduciary fund of the Commonwealth of Puerto Rico for purposes of the Commonwealth's financial statements.
TSA	TSA means Treasury Single Account, the Commonwealth's main operational bank account (concentration account) in which a majority of receipts from Governmental funds are deposited and from which most expenses are disbursed. TSA receipts include tax collections, charges for services, intergovernmental collections, the proceeds of short and long-term debt issuances and amounts held in custody by the Secretary of the Treasury for the benefit of the Commonwealth's fiduciary funds. Only a portion of the revenues received by the TSA is included in the annual General Fund budget presented to the Puerto Rico Legislative Assembly for approval. Other revenues are separately assigned by law to certain agencies or public corporations but still flow through the TSA.
Unrecorded Invoices	Invoices that have been physically captured but are currently being manually entered into an Excel ledger DTPR. These invoices have not been captured in the accounting system.

Introduction

- Enclosed is the weekly Treasury Single Account ("TSA") cash flow report, supporting schedules and Liquidity Plan to actual variance analysis.
- TSA is the Commonwealth's main operational bank account (concentration account) in which a majority of receipts from Governmental funds are deposited and from which most expenses are disbursed.
- Beginning April 2016, TSA receipts are deposited in a commercial bank account rather than the Government Development Bank for Puerto Rico ("GDB").
- Receipts in the TSA include tax collections (including revenues assigned to certain public corporations and pledged for the payment of their debt service), charges for services, intergovernmental collections (such as reimbursements from Federal assistance grants), the proceeds of short and long-term debt issuances held in custody by the Secretary of Treasury for the benefit of the Government fiduciary funds, and other receipts. Only a portion of the revenues received by the TSA is included in the annual General Fund budget presented to the Puerto Rico Legislative Assembly for approval. Other revenues are separately assigned by law to certain agencies or public corporations but still flow through the TSA.
- Disbursements from the TSA include payroll and related costs, vendor and operational disbursements (including those reimbursed by Federal assistance grants and funded from Special Revenue Funds), welfare expenditures, capital outlays, debt service payments, required budgetary formulas and appropriation payments, pass-through payments of pledged revenues to certain public corporations, tax refunds, payments of current pension benefits and other disbursements.
- Federal funds related to disaster relief for hurricanes Irma and Maria are deposited in a separate bank account overseen by the Government Authorized Representative ("GAR"), and transferred to the TSA only after admissible disbursements (per approved Project Worksheets) have been made. These inflows to the TSA will be captured on the Federal Funds Receipts (Schedule C); outflows will be captured on the Vendor Payments (Schedule E).
- Data for TSA inflows/outflows is reported from various systems within the Department of Treasury of Puerto Rico ("DTPR"):
 - Cash Flow Actual Results - Source for the actual results is the TSA Cash Flow.
 - Schedule A - Collections - Source for collections information is the DTPR collections system.
 - Schedule B - Agency Collections - Source for the agency collections is DTPR.
 - Schedule C - Federal Fund Receipts - Source for the federal funds receipts is DTPR.
 - Schedule D - Net Payroll - Source for net payroll information is the DTPR Rhum Payroll system.
 - Schedule E - Vendor Payments - The source for vendor payments is the Bank checks paid report and a report from the DTPR PRIFAS system.
 - Schedule F - Other Legislative Appropriations - Source for the other legislative appropriations is DTPR.
 - Schedule G - Central Government - Partial Inventory of Known Short Term Obligations - Sources are DTPR.
- Data limitations and commentary:

The government has focused on the seven schedules above for which access to reliable, timely, and detailed data is available to support these items. The government continues to work with DTPR and other parties to access additional reliable data that would help us provide detail in the future for other line items in the Cash Flow.

FY 2018 TSA Forecast Key Assumptions

- *The FY 2018 Treasury Single Account cash flow forecast Liquidity Plan was prepared at the beginning of the fiscal year based on the approved FY 2018 Budget, was projected monthly through June 2018, and is used as the benchmark against which weekly results and variances are measured. As a result of material economic and operational changes stemming from Hurricanes Irma and Maria, DTPR is in the process of developing a reforecast of TSA cash flows to year-end. Until then, the original TSA forecast will continue to serve as the measure for weekly cash flow variances.*
- *Forecast collections and disbursements through the General Fund and Federal Fund are consistent with the approved FY 2018 Budget, with the exception of payroll outlays which were forecast based on run-rate cash disbursement trends, and budget reserves which are non-cash and do not impact the TSA direct cash flows.*
- *TSA General Fund inflows are "gross" (i.e. include accrued Tax Refunds in 2018) and therefore higher than presented in the approved FY 2018 Budget, which considers General Fund revenues net of current year tax refunds. Repayment of deferred tax refunds (from CY 2016 and prior) total \$292mm; reserve for current year tax refunds (excluding garnishments) total \$456mm.*
- *Payroll outlays are based on FY 2017 run-rate disbursements, less savings measures, representing a \$298mm favorable adjustment to the approved FY 2018 Budget for the full fiscal year. Payroll is presented inclusive of segregated employee contributions (\$349M for the year). Payroll is disbursed through the TSA on a bi-weekly basis, approximately on the 15th and 30th of each month.*
- *Pensions reflect the implementation of the pay-as-you-go model in FY 2018. Retirement system inflows represent deposits from municipalities and corporations net of administrative expenses. Figures also include ERS / TRS / JRS asset sales (\$390M), occurring in July 2017.*
- *The Liquidity Plan assumes collections and outlays of Federal Funds are equal in FY 2018 (zero net cash impact), excluding potential timing impact.*
- *Clawback funds set aside prior to June 2016 (approx. \$146mm held at BPPR accounts and \$144mm held at GDB) are considered restricted cash and therefore excluded from the projected cash balance.*
- *The Liquidity Plan assumes \$592mm of Reconciliation Adjustment as per the approved FY 2018 Budget and March 13 certified Fiscal Plan, which is projected separately from supplier payments and distributed evenly over 12 months. No further provision has been made for potential contingent liabilities against the government.*
- *The Liquidity Plan assumes that beginning November 2017, COFINA SUT collections flow to the General Fund and are available to the TSA for operational purposes, totaling approx. \$316mm in incremental collections in the forecast. To date these funds have flowed, and may continue to flow, to the COFINA bank account (BNY Mellon), which will create a weekly variance from November through January.*

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Executive Summary - TSA Cash Flow Actual Results for the Week Ended January 12, 2018

Key Figures as of 1/12/2018				
\$1,60bn	(\$180M)	(\$110M)	(\$195M)	(\$131M)
Banking position	Weekly cash flow	Weekly Variance ^(a)	YTD Merc cash flow	YTD Merc Cash Flow Variance ^(a)

Key Takeaways as of 1/12/2018:

Collections

- The following revenue streams have largely been resistant to negative effects stemming from Hurricane María:

Corporate Income Tax^(a)
Non Resident Withholdings

Alcoholic Beverages Tax
Petroleum Import Tax

Motor Vehicles Tax / Fees
Rum Tax

Cigarette Tax
Others

(1) The full impact of Hurricane María on Corporate Income Tax collections may not be completely realized yet, as negative effects on Corporate Income Tax collections may lag behind other revenue streams.

- The following revenue streams have been negatively impacted by effects stemming from Hurricane María, and are currently under assessment to determine how much of the negative effects are temporary and will reverse in the short term vs. how much will result in permanent variance and FY2018 collection shortfall:

Individual Income Tax
Sales & Use tax

Act 154 Collections
Agency Collections

Federal Fund Receipts
Others

Notable variances^(a) for the week ended January 12, 2018:

-\$56M	Outflow - UPR Appropriation	January UPR appropriation, originally forecast to occur on 1/5, was executed on 1/9 (Temporary).
-\$46M	Inflow - General Collections	Mainly due to -\$40M variance in Act 154 Collections and -\$40M in Nonresident Withholdings, partially offset by +\$18M in Petroleum & Gas Tax Collections and +\$15M in Corporate Income Tax (Mix of Temporary & permanent).
-\$38M	Outflow - Other Payroll	Primarily due to the timing of monthly payments to financial service providers on behalf of public employees (-\$23M) and for insurance providers (-\$25M) originally forecast to be disbursed on 1/19 (Temporary).
+\$21M	Outflow - Police Payroll	Variance due to timing. Funds were transferred for Police Department regular payroll for the week of 1/15, one week before forecast, ensuring payroll could be processed prior to the 1/15 Holiday (Temporary).
+\$35M	Outflow - Vendor Disbursements	Lower disbursements by departments of Education (\$8M), Health (\$10M), and Treasury (\$1M) resulted in weekly variance (Temporary).

Notable YTD variances^(a) as of January 12, 2018:

-\$540M	Inflow - Federal Fund Receipts	YTD variances in federal fund receipts are partially offset by variances in federally funded vendor disbursements, federal appropriations to ASes, and disbursements for Nutritional Assistance (Temporary).
-\$265M	Inflow - Sales & Use Tax	The Liquidity plan assumes \$31.6M in collections that will not be received into the TSA. These funds have flowed, and will continue to flow, to the COFINA bank account (BNY Mellon), representing a permanent negative variance. YTD permanent variance is -\$25.7M and is expected to grow to -\$31.6M by the end of January (permanent).
-\$230M	Inflow - General Collections	Principally due to the negative impacts caused by Hurricane María (permanent, with exception of a few timing variances).
+\$74M	Outflow - Tax Refunds	Mainly due to \$27M in Senior Citizen tax refunds, originally forecast to be refunded in November and December, now projected to be refunded in February and March 2018 (Temporary). Remaining +\$47M variance is also timing related (Temporary).
+\$296M	Outflow - Reconciliation Adj.	Potential utilization of the Reconciliation Adjustment deferred to later this fiscal year (Temporary).
+\$503M	Outflow - Vendor Disbursements	Vendor invoice entry has been hindered due to technical issues stemming from Hurricane María. Throughout the month of December, however, vendor disbursements returned to pre-María averages as payment processing improved. A portion of the YTD variance is expected to reverse throughout the course of the year as technical issues continue to improve. January vendor disbursement trends are also being assessed to determine how much variance is expected to reverse throughout the rest of FY2018 (partially Temporary).

Key cash flow risks to liquidity plan through June 30, 2018:

Sales & Use Tax	The Liquidity plan includes -\$31.6M in collections that will not be received into the TSA. These funds have flowed, and will continue to flow, to the COFINA bank account (BNY Mellon). Though this amount of suT will be collected, it will not be available to the TSA for operational purposes. Additionally, lower suT collections due to the impact of the Hurricanes on collections may approximate -\$366M by fiscal year-end, for a total variance of -\$682M compared to the Liquidity plan forecast.
Corporate Income Tax	Though Corporate Income Tax collections have been fairly resistant to the negative effects of Hurricane María to date (\$69.0M YTD actual collections, +\$7M YTD Variance), the full impact of Hurricane María may not be completely realized yet, as negative effects may lag behind other revenue streams. Corporate Income Tax projections for 3Q and 4Q are currently being assessed to determine the total potential effect throughout the remainder of FY2018.
Act 154 Collections	Act 154 Collections relate to excise tax on the acquisition by multinationals of certain products manufactured or produced in whole or in part in Puerto Rico and on the acquisition of certain manufacturing services carried out in Puerto Rico. This revenue stream has been negatively impacted due to the effects of Hurricane María (YTD - \$85M). A majority of the variance is assumed to be permanent in nature, and further deterioration (total effect being assessed) of General Fund Act 154 Collections is expected throughout the remainder of FY2018.
FEMA Spend	FEMA cost share may impact working capital due to the timing of the spend / reimbursement cycle. Though FEMA cost share will be funded by General Fund reserves that were excluded from the Liquidity plan Forecast (\$307M), the lag between spend and reimbursement may create temporary cash variances in the TSA.
PREPA/PRASA	PREPA or PRASA might potentially require funds to be transferred from the TSA to fund their ongoing liquidity needs, which is an additional risk against the Liquidity plan. The total potential TSA funding need is currently being assessed.

Key cash flow opportunities to liquidity plan through June 30, 2018:

Petroleum & Gas Taxes	Strong Petroleum & Gas tax collections could continue throughout Q3 and Q4, providing additional positive variance in collections. Since Hurricane María, +\$91M variance (+\$102M FY2018 YTD) in this revenue stream has partially offset other revenues that were negatively affected due to the Hurricanes.
Reconciliation Adjustment	Currently the Reconciliation Adjustment is being deferred until later this fiscal year. However, the Reconciliation Adjustment might not be fully utilized, which would allow for a cash opportunity against the Liquidity plan of +\$69.2M. This opportunity might be partially offset by non-budgeted Title III spend (which may approximate -\$200M) and the set up of The Municipal Recover Fund (potentially -\$1.00M). Total adjusted cash opportunity against the Liquidity plan could be +\$29.2M.

Footnotes:

(a) Variances represent actual results vs. FY2018 Liquidity Plan

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As of January 12, 2018

TSA Cash Flow Actual Results for the Week Ended January 12, 2018

(figures in \$000s)		Schedule	Prior Variance YTD 1/5	Actual 1/12	Forecast 1/12	Variance 1/12	Actual YTD 1/12	Forecast YTD 1/12	Variance YTD 1/12	Comments (K)
General & Special Revenue Fund Inflows										
1	Collections (a)	A	(\$184,224)	\$114,036	\$159,645	(\$45,609)	\$3,592,164	\$3,821,996	(\$229,833)	1 Weekly variance mainly due to -\$40M variance in Act 154 Collections and -\$40M variance in Nonresident Withholdings. Weekly unfavorable variance was partially offset by +\$18M variance in Petroleum & Gas Tax Collections and +\$15M variance in Corporate Income Tax. Variances are a mix of timing related variances and permanent variances. Other revenue streams were in line with forecast for the week ended 1/12. The largest YTD collections variances are -\$156M in individual income tax collections, -\$123M in Act 154 collections, and +\$102M in HTA Petroleum & Gas Tax collections.
2	Agency Collections	B	(74,343)	7,019	8,775	8,245	215,055	286,153	(71,098)	
3	Sales and Use Tax		(264,864)	24,416	24,192	224	525,735	790,375	(264,640)	
4	Excise Tax through Banco Popular		(3,896)	24,863	1,214	23,650	272,394	252,581	19,813	
5	Rum Tax		44,981	-	-	-	152,481	107,500	44,981	
6	Electronic Lottery		(50,451)	-	-	-	30,887	81,337	(50,451)	
7	Subtotal -General & Special Revenue Fund Inflows		(\$532,737)	\$170,334	\$188,825	(\$18,491)	\$4,788,715	\$5,339,943	(\$551,228)	2 Weekly variance mainly due to \$3M collection by the Department of Health and \$2M collection by the Department of Treasury. YTD variance primarily driven by lower collections from the Dept. of Treasury (\$27M) and the Dept. of Health (\$16M), due to the effects of Hurricane Maria. Remaining -\$28M YTD variance spread across 45+ other agencies.
Retirement System Inflows										
8	Contributions From Pension Systems (b)		(193,216)	-	16,101	(16,101)	-	209,317	(209,317)	
9	Pension System Asset Sales		-	-	-	-	390,480	390,480	-	
10	Subtotal -Retirement System Inflows		(\$193,216)	-	\$16,101	(\$16,101)	\$390,480	\$599,797	(\$209,317)	3 YTD variance mainly due to the forecast's assumption that beginning November 2017, COFINA SUT collections flow to the General Fund and are available to the TSA. To date these funds have flowed, and will continue to flow, to the COFINA bank account (BNY Mellon), representing a negative variance from November through January. YTD the impact is -\$257M, but by the end of January is expected to result in -\$316M YTD of permanent variance. Positive weekly variances due to timing.
Other Inflows										
11	Federal Fund Receipts (c)	C	(\$17,441)	85,910	108,683	(22,772)	2,526,537	3,066,750	(540,214)	4 Variance due to timing, as collection received on 1/12 was originally projected to be received on 1/31.
12	Other Inflows (d)		49,005	1,618	9,539	(1,921)	196,650	149,566	47,083	6 -\$10M of YTD variance due to lower-than-projected Q1 Electronic Lottery collections. Remaining YTD variance due to Q2 Lottery collection originally forecast for 12/29 that has not yet been received; now projected to be received in March 2018.
13	Interest earned on Money Market Account		2,590	-	-	-	2,590	-	2,590	
14	GDB Transactions		(28,766)	-	-	-	-	28,766	(28,766)	
15	Tax Revenue Anticipation Notes		-	-	-	-	-	-	-	
16	Subtotal - Other Inflows		(\$494,612)	\$87,528	\$112,222	(\$24,694)	\$2,725,777	\$3,245,093	(\$519,306)	
17	Total Inflows		(\$1,220,565)	\$257,863	\$317,148	(\$59,286)	\$7,904,972	\$9,184,822	(\$1,279,850)	8 This is a timing variance that is expected to reverse later this fiscal year.
Payroll Outflows										
18	Net Payroll (e)	D	5,154	(66,139)	(67,949)	1,811	(937,460)	(944,425)	6,965	11 Weekly and YTD variances in federal fund receipts are partially offset by variances in federally funded vendor disbursements (portion of line 32), federal appropriations to ASES (line 25), and disbursements for Nutritional Assistance (line 35). Remaining variance is due to timing.
19	Other Payroll Related Costs - (SSA, SFC, Health Insurance) (f)		4,690	(49,686)	(11,647)	(38,039)	(721,353)	(688,004)	(33,349)	19 Weekly variance mainly due to the timing of monthly payments to financial service providers on behalf of public employees (\$23M) and for insurance providers (\$25M) originally forecast to be disbursed on 1/19. Remaining weekly variances are also timing related and is expected to reverse throughout January.
20	Gross Payroll - PR Police Department (g)		(45,564)	-	(21,301)	21,301	(388,647)	(364,384)	(24,263)	20 Offsets previous week's regular Police Payroll variance, as funds were transferred for Police Department regular payroll for pay period 1/15 one week before forecast, ensuring payroll could be processed prior to the 1/15 Holiday.
21	Subtotal -Payroll and Related Costs		(\$35,720)	(\$115,824)	(\$100,897)	(\$14,927)	(\$2,047,461)	(\$1,996,813)	(\$50,647)	24 YTD Pension PayGo outlays variance is offset by a reduction in contributions from pension systems (line 8), as there is no corresponding pension inflow as included within the original forecast. Remaining YTD variance is timing related.
Pension Outflows										
22	Pension Benefits		41,871	(86,168)	(88,062)	1,895	(1,146,089)	(1,189,854)	43,765	25 Weekly variance is timing related. YTD variance is driven by lower-than-projected healthcare premiums & claims costs at ASES, and therefore lower federal matching funds flowing through the TSA. A portion of the YTD variance is permanent, but it is offset by associated federal fund receipts variance.
23	Pension Paygo Outlays on Behalf of Public Corporations		43,268	-	-	-	-	(43,268)	43,268	26 Weekly variances is timing related, as the January UPR appropriation, originally forecast to occur on 1/5, was executed on 1/9.
24	Subtotal -Pension Related Costs		\$85,139	(\$86,168)	(\$88,062)	\$1,895	(\$1,146,089)	(\$1,233,122)	\$87,033	29 Variance due to appropriation executed on 1/8, originally projected to be executed on 1/19.
Appropriations - All Funds										
25	Health Insurance Administration - ASES		94,856	(32,957)	(64,494)	31,537	(1,215,503)	(1,341,896)	126,393	30 Weekly variance partially reverses previous week's YTD timing variance. Remaining YTD variances in these appropriations are timing related and expected to reverse in subsequent weeks.
26	University of Puerto Rico - UPR		55,693	(55,693)	-	(55,693)	(389,854)	(389,854)	(0)	32 Weekly variance is timing related and due to the agencies with the largest vendor disbursement budgets, the Departments of Education, Health, and Treasury, disbursing \$8M, \$10M, and \$1M for the week ended 1/12, respectively. This is mainly due to extended Holiday recesses and lower department activity for the week. Though invoice entry was hindered due to technical issues stemming from Hurricane Maria, resulting in manual invoice data entry and slower payment processing following the hurricane, vendor disbursements throughout December were substantially in line with forecast (\$259M disbursed, within 5% of forecast). YTD variance is expected to reverse over the course of the next two fiscal quarters.
27	Muni. Revenue Collection Center - CRIM		(1,288)	(13,000)	(13,000)	-	(133,642)	(132,354)	(1,288)	
28	Highway Transportation Authority - HTA		12,165	-	-	-	(77,738)	(89,393)	12,165	
29	Public Buildings Authority - PBA		(3,520)	(5,140)	-	(5,140)	(43,565)	(34,906)	(8,660)	
30	Other Government Entities		80,391	(22,423)	(2,093)	(20,385)	(250,506)	(310,512)	60,006	
31	Subtotal - Appropriations - All Funds		\$238,298	(\$129,214)	(\$79,533)	(\$49,681)	(\$2,110,808)	(\$2,299,424)	\$188,616	
Other Disbursements - All Funds										
32	Vendor Disbursements (h)	E	468,797	(30,544)	(65,066)	34,522	(1,253,464)	(1,756,783)	503,319	
33	Other Legislative Appropriations (i)	F	8,315	(28,702)	(6,602)	(22,101)	(211,572)	(197,787)	(13,785)	
34	Tax Refunds		66,604	(1,863)	(9,026)	7,163	(258,495)	(332,262)	73,767	
35	Nutrition Assistance Program		43,289	(40,897)	(98,322)	(2,566)	(1,033,153)	(1,073,876)	40,723	
36	Other Disbursements		28,520	(5,000)	-	(5,000)	(40,246)	(63,766)	23,520	
37	Reconciliation Adjustment		296,000	-	-	-	-	(296,000)	296,000	
38	Subtotal -Other Disbursements - All Funds		\$911,526	(\$106,997)	(\$119,015)	\$12,018	(\$2,796,930)	(\$3,720,474)	\$923,544	
39	Total Outflows		\$1,199,242	(\$438,203)	(\$387,507)	(\$50,696)	(\$8,101,287)	(\$9,249,833)	\$1,148,546	
40	Net Cash Flows		(\$21,323)	(\$180,340)	(\$70,359)	(\$109,981)	(\$196,315)	\$65,011)	(\$131,304)	
41	Bank Cash Position, Beginning (j)		-	1,783,023	1,804,345	(21,323)	1,798,997	1,798,997	-	33 Variance due to timing. YTD variance will reverse next week due to appropriations executed 1/8-1/10 that were originally projected to occur on 1/19.
42	Bank Cash Position, Ending (j)		(\$21,323)	\$1,602,682	\$1,733,986	(\$131,304)	\$1,602,682	\$1,733,986	(\$131,304)	34 Weekly and YTD variances are due to timing. \$27M of the YTD variance is due to Senior Citizen tax

Footnotes:

(a) Includes reserve for tax returns (\$456 million) and Special Revenue Fund portion of posted collections.

(b) Paygo charges to municipalities and public corporations collected at the TSA.

(c) As of the date of this report, no federal funded account balances have been transferred to the TSA that relate to disaster relief.

(d) Inflows related to the State Insurance Fund, the Department of Labor and Human Resources, the Commissioner of Financial Institutions, and others.

(e) Payroll is paid bi-weekly on the 15th and 30th (or last day of the month, whichever comes sooner).

(f) Related to employee withholdings, social security, insurance, and other deductions.

(g) Police payroll is reflected individually because it is paid through a separate bank account. Also, the police payroll line item shown in the TSA cash flow is gross (i.e., inclusive of Other Payroll Related items).

(h) Includes payments to third-party vendors as well as intergovernmental payments to agencies with separate Treasuries.

(i) This refers to General Fund appropriations to non-TSA entities such as Legislative Assembly, Correctional Health, Comprehensive Cancer Center, and others.

(j) Excludes Banco Popular of Puerto Rico Account with balance of approximately \$146mm. Amounts deposited in GDB subject to GDB restructuring.

(k) Unless otherwise stated, variances are either not material in nature or are expected to reverse in the short term.

Puerto Rico Department of Treasury | AAFAF
Schedule A: Collections Detail

As of January 12, 2018

	Actual	YTD
	1/12	FY18
<i>(figures in \$000s)</i>		
<u>General Fund</u>		
1 Individuals	\$66,110	\$990,106
2 Corporations	29,339	703,276
3 Non Residents Withholdings	14,115	282,437
4 Act 154	9,622	619,375
5 Alcoholic Beverages	9,107	141,489
6 Cigarettes	2,938	86,579
7 Motor Vehicles	8,807	181,345
8 Other General Fund	6,463	120,559
9 Total General Fund	\$146,500	\$3,125,166
<u>Retained Revenues (a)</u>		
10 AACA Pass Through	1,610	40,627
11 AFI/RBC Pass Through	641	6,275
12 ASC Pass Through	2,224	42,435
13 HTA Pass Through	49,031	366,921
14 Total Other Retained Revenues	2,364	36,701
15 Total Retained Revenues	\$55,870	\$492,958
16 Total Collections from DTPR Collections System	\$202,370	\$3,618,125
17 Timing-related unreconciled TSA Collections (b)	(\$88,334)	(\$25,961)
18 Total Collections	\$114,036	\$3,592,164

Source: DTPR, collection system

Footnotes:

(a) Retained Revenues are revenues conditionally assigned to certain public corporations and the collections of those revenues are through accounts referred to as "pass through" accounts, the majority of which include (i) ACAA auto insurance, (ii) AFI/RBC petroleum tax, (iii) ASC personal injury insurance, and (iv) HTA toll revenues.

(b) Due to timing. Receipts in collections post account occur approximately two business days prior to being deposited into the TSA.

Puerto Rico Department of Treasury | AAFAF
Schedule B: Agency Collections Detail

As of January 12, 2018

	Actual	YTD
	1/12	FY18
<i>(figures in \$000s)</i>		
<u>Agency</u>		
1 Department of Health	\$3,350	\$58,904
2 Office of the Financial Institution Commissioner	106	45,134
3 Funds under the Custody of the Department of Treasury	1,791	21,511
4 Department of Labor and Human Resources	67	16,566
5 Department of Treasury	—	9,348
6 Department of Justice	266	7,636
7 Office of the Commissioner of Insurance	69	6,729
8 Department of Education	17	4,237
9 Department of Natural and Environmental Resources	105	4,116
10 Mental Health and Drug Addiction Services Administration	9	3,620
11 Department of Recreation and Sport	7	3,543
12 Deposits non-identified	1	3,236
13 Department of Correction and Rehabilitation	20	3,207
14 Department of State	10	2,810
15 Department of Housing	8	2,774
16 General Services Administration	13	2,714
17 Medical Emergencies Service	73	2,650
18 Puerto Rico Police Department	—	2,092
19 Administration for the Horse Racing Sport and Industry	69	1,852
20 Others (a)	1,040	12,374
21 Total	\$7,019	\$215,055

Source: DTPR

Footnotes:

(a) Inflows related to Department of Transportation and Public Works, Firefighters Corps, Environmental Quality Board, Department of Agriculture, and others.

Puerto Rico Department of Treasury | AAFAF
Schedule C: Federal Funds Receipts Detail

As of January 12, 2018

<i>(figures in \$000s)</i>		
Agency		
	Actual	YTD
	1/12	FY18
1 Adm. Socioeconomic. Dev. Family	\$48,405	\$1,060,810
2 Health	26,310	976,547
3 Department of Education	4,977	356,443
4 Vocational Rehabilitation Adm.	1,003	17,750
5 Mental Health and Drug Addiction Services Adm.	—	13,413
6 Puerto Rico National Guard	707	11,344
7 Families and Children Adm.	53	9,660
8 Department of Justice	5	9,043
9 Department of Labor and Human Resources	712	8,677
10 Department of Family	338	5,003
11 Environmental Quality Board	—	4,006
12 Department of Natural and Environmental Resources	259	2,764
13 Others (a)	3,142	51,076
14 Total	\$85,910	\$2,526,537

Source: DTPR

Footnotes:

(a) Inflows related to the Women's Affairs Commission, the Municipal Affairs Commission, Office of Elderly Affairs, and others.

Puerto Rico Department of Treasury | AAFAF
Schedule D: Net (a) Payroll Detail

As of January 12, 2018

(figures in \$000s)		Actual	YTD
		1/12	FY18
General Fund			
1	Education	\$27,062	\$364,661
2	Correction and Rehab	4,456	78,246
3	Health	1,969	29,568
4	All Other Agencies (b)	18,512	240,636
5	Total General Fund	\$51,999	\$713,112
Special Revenue Funds			
6	Education	\$2	81
7	Correction and Rehab	—	—
8	Health	296	7,843
9	All Other Agencies (b)	2,675	37,909
10	Total Special Revenue Funds	\$2,973	\$45,834
Federal Funds			
11	Education	\$7,744	\$110,424
12	Correction and Rehab	10	145
13	Health	1,251	23,673
14	All Other Agencies (b)	2,873	39,013
15	Total Federal Funds	\$11,878	\$173,255
16	Total Net Payroll from Payroll System	\$66,850	\$932,201
17	Timing-related unreconciled Net Payroll (c)	(\$712)	\$5,259
18	Total Net Payroll	\$66,139	\$937,460

Source: DTPR, RHUM system

Footnotes:

(a) Net payroll data provided by DTPR allows for a reliable break down analysis. Note that net payroll is equal to gross payroll less tax withholdings and other deductions.

(b) Includes Firefighter Corps, National Guard, Public Housing Administration, Natural Resources Administration, and others.

(c) Due to timing, EQB net payroll is not included in RHUM payroll system and has not been provided by DTPR.

Puerto Rico Department of Treasury | AAFAF
Schedule E: Vendor Disbursements Detail

As of January 12, 2018

<i>(figures in \$000s)</i>		Actual	YTD
		1/12	FY18
<u>General Fund</u>			
1	Education	\$2,958	\$172,547
2	General Court of Justice	1,768	51,998
3	Health	2,395	46,059
4	All Other Agencies (a)	5,805	290,811
5	Total General Fund	\$12,925	\$561,414
<u>Special Revenue Funds</u>			
6	Education	328	33,524
7	General Court of Justice	—	3,401
8	Health	3,728	80,931
9	All Other Agencies (a)	4,976	148,730
10	Total Special Revenue Funds	\$9,031	\$266,586
<u>Federal Funds</u>			
11	Education	4,802	127,542
12	General Court of Justice	—	73
13	Health	3,708	94,564
14	All Other Agencies (a)	4,718	132,607
15	Total Federal Funds	\$13,228	\$354,787
16	Total Vendor Disbursements from System	\$35,184	\$1,182,788
17	Timing-related unreconciled Vendor Disbursements (b)	(\$4,640)	\$70,676
18	Total Vendor Disbursements	\$30,544	\$1,253,464

Source: DTPR's Bank checks paid report and PRIFAS system

Footnotes:

(a) Includes ASSMCA, Firefighters Corps, Emergency Medical Corps, Natural Resources Administration, and others.

(b) Unreconciled vendor disbursements is timing variance pending reconciliation between bank systems and DTPR systems.

Puerto Rico Department of Treasury | AAFAF
Schedule F: Other Legislative Appropriations Detail

As of January 12, 2018

<i>(figures in \$000s)</i>		
<u>Agency</u>		
	Actual	YTD
	1/12	FY18
1 Correctional Health	\$4,319	\$30,559
2 House of Representatives	3,829	27,334
3 Puerto Rico Senate	3,411	23,877
4 Office of the Comptroller	3,113	21,793
5 Comprehensive Cancer Center	1,917	13,417
6 Legislative Donations Committee	1,667	11,667
7 Superintendent of the Capitol	1,262	8,836
8 Institute of Forensic Sciences	1,196	8,636
9 Authority of Public-Private Alliances (projects)	—	7,132
10 Martín Peña Canal Enlace Project Corporation	911	6,387
11 Legislative Services	873	6,110
12 Housing Financing Authority	767	5,504
13 All Others (a)	5,438	40,321
14 Total Other Legislative Appropriations	\$28,702	\$211,572

Source: DTPR

Footnotes:

(a) Includes the Solid Waste Authority, Public Broadcasting Corporation, Musical Arts Corporation, and several other agencies.

Puerto Rico Department of Treasury | AAFAF

As of January 12, 2018

Central Government - Partial Inventory of Known Short Term Obligations (a)

(figures in \$000s)

Obligation Type	Recorded Invoices (b)
3rd Party Vendor Invoices	\$ 30,505
Intergovernmental Invoices	111,483
Total	\$ 141,987

Source: DTPR

Footnotes:

(a) The numbers presented represent a bottom-up build of invoices at the government agency level, which should not be considered to be indicative of total Accounts Payable for the central government. This is due to issues surrounding invoice entry that has hindered the timely cadence of recording invoices, which was made worse by the impact of the Hurricanes.

(b) The data presented above refers to invoices/vouchers approved for payment by the agencies but checks not released as of 1/12.

Obligation Type	Additional Invoices (c)
3rd Party Vendor Invoices	\$ 290,782
Intergovernmental Invoices	240,339
Total	\$ 531,121

Source: DTPR

Footnotes:

(c) The data presented above represents additional invoices identified outside of DTPR main system for the following agencies as of 1/12.

Please see below:

- Police Department
- Department of Education
- Department of Justice
- Department of Correction and Rehabilitation
- Department of Transportation and Public Works
- Mental Health and Drug Addiction Services Administration
- Socio Economic Development Administration
- Administration for Children and Families
- Child Support Administration
- Environmental Quality Board
- Department of Health
- Department of Housing
- Department of Labor
- Department of Sports and Recreation
- Department of Natural Resources
- Administration for the Care and Development of Children
- Puerto Rico Fire Department
- Department of Family
- Department of Treasury

Obligation Type	Pre-recorded Invoices (d)
3rd Party Vendor Invoices	\$ 22,254
Intergovernmental Invoices	4,702
Total	\$ 26,956

Source: DTPR

Footnotes:

(d) Pre-recorded AP is related to other agencies out of scope of BDO that independently enters invoice data into a Live AP module prior to invoices being approved for payment. The top 5 agencies in pre-recorded AP outside the BDO scope comprised 85% of the outstanding AP in this category. These agencies are, in descending order; State Elections Commission, Vocational Rehabilitation, Industrial Commission, National Guard, and State.

Puerto Rico Department of Treasury | AAFAF

As of January 12, 2018

Central Government - Partial Inventory of Known Short Term Obligations by agency (a)

(figures in \$000s)

Consolidated Inventory Invoices

Description	As of June 30, 2017				As of September 8, 2017			As of January 12, 2018			
	Checks in Vault (b)	Recorded AP (c)	Additional AP (d)	Total	Recorded AP (c)	Additional AP (d)	Total	Recorded AP (c)	Additional AP (d)	Pre-recorded AP (e)	Total
Department of Education	\$ 3,535	\$ 66,640	\$ 165,459	\$ 235,633	\$ 28,009	\$ 161,824	\$ 189,833	\$ 66,966	\$ 173,543	\$ -	\$ 240,509
Department of Health	-	15,432	132,856	148,288	8,996	130,760	139,756	12,806	121,681	-	134,487
Mental Health and Drug Addiction Services Administration	-	2	1,940	1,942	353	6,086	6,439	705	9,425	-	10,131
Environmental Quality Board	-	716	6,229	6,945	793	7,194	7,987	176	6,583	-	6,759
Department of Correction and Rehabilitation	-	7,582	40,215	47,796	271	96,746	97,018	15,610	63,956	-	79,565
Department of Labor	-	903	19,619	20,521	-	23,556	23,556	939	28,614	-	29,553
Administration For Children and Families	-	143	15,123	15,266	2,818	22,254	25,073	3,798	27,195	-	30,993
Other Agencies	1,170	77,368	43,059	121,597	23,808	63,883	87,691	40,987	100,125	26,956	168,069
Total	\$ 4,705	\$ 168,786	\$ 424,500	\$ 597,990	\$ 65,048	\$ 452,304	\$ 517,352	\$ 141,987	\$ 531,121	\$ 26,956	\$ 700,065

3rd Party Vendor Payables

Description	As of June 30, 2017				As of September 8, 2017			As of January 12, 2018			
	Checks in Vault (b)	Recorded AP (c)	Additional AP (d)	Total	Recorded AP (c)	Additional AP (d)	Total	Recorded AP (c)	Additional AP (d)	Pre-recorded AP (e)	Total
Department of Education	\$ -	\$ 39,845	\$ 132,341	\$ 172,187	\$ 14,166	\$ 91,806	\$ 105,972	\$ 6,479	\$ 70,754	\$ -	\$ 77,233
Department of Health	-	14,395	92,876	107,271	8,320	93,580	101,900	6,303	62,161	-	68,464
Mental Health and Drug Addiction Services Administration	-	2	1,581	1,584	353	5,605	5,958	661	8,952	-	9,613
Environmental Quality Board	-	395	4,452	4,846	353	5,114	5,467	17	4,124	-	4,141
Department of Correction and Rehabilitation	-	3,603	13,196	16,799	256	7,448	7,704	19	34,574	-	34,593
Department of Labor	-	211	10,875	11,086	-	11,023	11,023	-	13,976	-	13,976
Administration For Children and Families	-	143	13,844	13,988	41	20,025	20,065	3,782	22,088	-	25,870
Other Agencies	-	29,046	22,116	51,161	16,005	41,724	57,728	13,245	74,152	22,254	109,651
Total	\$ -	\$ 87,639	\$ 291,282	\$ 378,921	\$ 39,494	\$ 276,324	\$ 315,818	\$ 30,505	\$ 290,782	\$ 22,254	\$ 343,541

Intergovernmental Payables (f)

Description	As of June 30, 2017				As of September 8, 2017			As of January 12, 2018			
	Checks in Vault (b)	Recorded AP (c)	Additional AP (d)	Total	Recorded AP (c)	Additional AP (d)	Total	Recorded AP (c)	Additional AP (d)	Pre-recorded AP (e)	Total
Department of Education	\$ 3,535	\$ 26,795	\$ 33,117	\$ 63,447	\$ 13,842	\$ 70,019	\$ 83,861	\$ 60,488	\$ 102,789	\$ -	\$ 163,276
Department of Health	-	1,037	39,980	41,017	676	37,181	37,856	6,503	59,520	-	66,023
Mental Health and Drug Addiction Services Administration	-	-	359	359	-	481	481	45	473	-	518
Environmental Quality Board	-	321	1,777	2,098	440	2,080	2,520	159	2,459	-	2,618
Department of Correction and Rehabilitation	-	3,979	27,018	30,997	15	29,298	29,313	15,591	29,382	-	44,972
Department of Labor	-	692	8,744	9,435	-	12,533	12,533	939	14,638	-	15,577
Administration For Children and Families	-	-	1,279	1,279	2,778	2,230	5,007	16	5,107	-	5,123
Other Agencies	1,170	48,323	20,944	70,436	7,803	22,159	29,962	27,743	25,973	4,702	58,417
Total	\$ 4,705	\$ 81,146	\$ 133,218	\$ 219,069	\$ 25,554	\$ 175,979	\$ 201,534	\$ 111,483	\$ 240,339	\$ 4,702	\$ 356,524

Footnotes:

(a) The numbers presented represent a bottom-up build of invoices at the government agency level, which should not be considered to be indicative of total Accounts Payable for the central government. This is due to issues surrounding invoice entry that has hindered the timely cadence of recording invoices, which was made worse by the impact of the Hurricanes.

(b) Refers to checks issued but kept in vault. Due to control processes implemented this fiscal year, it is uncommon for there to be a material checks in vault balance, as now the Department of Treasury has greater control over the approval and authorization of checks before they are issued.

(c) Refers to invoices/vouchers approved for payment by the agencies but checks not released.

(d) Represents additional invoices identified outside of DTFR main system for the following 19 agencies. Please see below:

- Police Department
- Department of Education
- Department of Justice
- Department of Correction and Rehabilitation
- Department of Transportation and Public Works
- Mental Health and Drug Addiction Services Administration
- Socio Economic Development Administration
- Administration for Children and Families
- Child Support Administration
- Environmental Quality Board
- Department of Health
- Department of Housing
- Department of Labor
- Department of Sports and Recreation
- Department of Natural Resources
- Administration for the Care and Development of Children
- Puerto Rico Fire Department
- Department of Family
- Department of Treasury

(e) Pre-recorded AP is related to other agencies out of scope of BDO that independently enters invoice data into a Live AP module prior to invoices being approved for payment. The top 5 agencies in pre-recorded AP outside the BDO scope comprised 85% of the outstanding AP in this category. These agencies are, in descending order; State Elections Commission, Vocational Rehabilitation, Industrial Commission, National Guard, and State.

(f) Increase in Recorded AP due to other government entities can be primarily attributed to concerted effort amongst agencies to record and accrue for amounts due to PREPA/ PRASA.